



الصالحية

Date: 13/11/2024

Ref.: Ib/26/2024

To: Boursa Kuwait Co.

Dear Sirs,

التاريخ: 2024/11/13

الإشارة: إب/26/2024

السادة/ شركة بورصة الكويت

المحترمين

تحية طيبة وبعد،

Subject: Analyst/Investors Conference Meeting for the Third quarter of the year 2024

الموضوع: إفصاح معلومات جوهرية (انعقاد مؤتمر المحللين/ المستثمرين للربع الثالث 2024)

With reference to the above subject, and as per requirements stipulated in article No. (7-8) "Listed company obligations" of Boursa Kuwait rule book, we would like to inform you that Salhia Real Estate company has conducted the Analyst/Investors conference for the Third quarter of the year 2024 via a live webcast at 01:00 p.m. On Wednesday, 13/11/2024 (Kuwait local time), and there was no new material information discussed during the conference.

بالإشارة إلى الموضوع أعلاه، وعملاً بالأحكام الواردة في المادة (7-8) "التزامات الشركة المدرجة" من كتاب قواعد بورصة الكويت، فقد عقدت شركة الصالحية العقارية مؤتمر المحللين/المستثمرين للربع الثالث من العام 2024 عن طريق وسائل اتصال البث المباشر، وذلك في تمام الساعة 1:00 ظهراً (بتوقيت الكويت) يوم الأربعاء الموافق 2024/11/13، ولم يتم الإفصاح عن أية معلومات جوهرية جديدة خلال المؤتمر.

Attached is the presentation of the Analyst/Investors conference for the Third quarter of the year 2024.

مرفق لكم طيه العرض التقديمي لمؤتمر المحللين/المستثمرين عن الربع الثالث من العام 2024.

Best regards,

مع خالص التحية ،،،

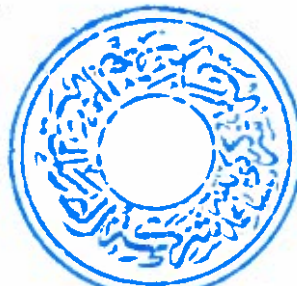
Mohammad Khalil Al-Musaibeeh

Finance, Accounting & HR
Group Head

محمد خليل المصيبيح

رئيس المجموعة المالية والمحاسبية
والموارد البشرية

*Copy to the Capital Markets Authority.



*نسخة للسادة/ هيئة أسواق المال



نموذج الإفصاح عن المعلومات الجوهرية
Disclosure of Material Information Form

| Date: | Name of the listed Company | اسم الشركة المدرجة | التاريخ: |
|---|----------------------------------|--|----------------|
| 13 Nov 2024 | Salhia Real Estate Co. (K.P.S.C) | شركة الصالحية العقارية (ش.م.ك.ع) | 13 نوفمبر 2024 |
| Material Information | | المعلومة الجوهرية | |
| <p>We would like to inform you that Salhia Real Estate Company has conducted the Analyst/Investors Conference for the Third quarter of the year 2024 via a live webcast at 01:00 p.m. on Wednesday 13/11/2024 (Kuwait local time), and there was no new material information discussed during the conference.</p> <p>Attached is the presentation of the Analyst/Investors Conference for the Third quarter of the year 2024.</p> | | <p>عقدت شركة الصالحية العقارية مؤتمر المحللين/المستثمرين للربع الثالث من العام 2024، عن طريق بث مباشر على شبكة الانترنت، وذلك في تمام الساعة 01:00 ظهراً، يوم الأربعاء الموافق 2024/11/13 (بتوقيت دولة الكويت)، ولم يتم الإفصاح عن أي معلومات جوهرية جديدة خلال المؤتمر.</p> <p>مرفق العرض التقديمي للمؤتمر عن الربع الثالث من العام 2024.</p> | |
| Significant Effect of the material information on the financial position of the company | | أثر المعلومة الجوهرية على المركز المالي للشركة | |
| No Significant Effect | | لا يوجد أثر. | |



SALHIA REAL ESTATE CO.

Q3-2024 Results Presentation

Period Ended 30 - September - 24



SALHIA

Disclaimer / Disclosure / Forward Statement

The information set out in this presentation and provided in the discussion subsequent thereto does not constitute an offer, an agreement, or a solicitation of an offer to buy or sell securities. It is solely for use at an investor presentation and is provided as information only. This presentation has been prepared by, and is the sole responsibility of Salhia Real Estate.

The information herein may be amended and supplemented and may not as such be relied upon for the purpose of entering any transaction. This presentation may not be reproduced, distributed or transmitted without the Company's prior written consent. All projections, valuations and statistical analyses are provided to assist the recipient in the evaluation of the matters described herein. They may be based on subjective assessments and assumptions and may use one among alternative methodologies that produce different results and therefore should not be relied upon as an accurate prediction of future performance.

Salhia Real Estate Co. is under no obligation to update the information contained herein. No person shall have any right of action against the Company or any other person in relation to the accuracy or completeness of the information contained in this presentation. No person is authorized to give any information or to make any representation not contained in and not consistent with this presentation, and if given or made, such information or representation must not be relied upon as having been authorized by or on behalf of the company. Certain statements in this presentation may constitute forward-looking statements.

These statements reflect the Company's expectations and are subject to risks and uncertainties that may cause actual results to differ materially and may adversely affect the outcome and financial effects of the plans described herein. You are cautioned not to rely on such forward-looking statements. The company does not assume any obligation to update its view of such risks and uncertainties or to publicly announce the result of any revisions to the forward-looking statements made herein

CONTENT

Q3 - 2024

4 Performance Highlights

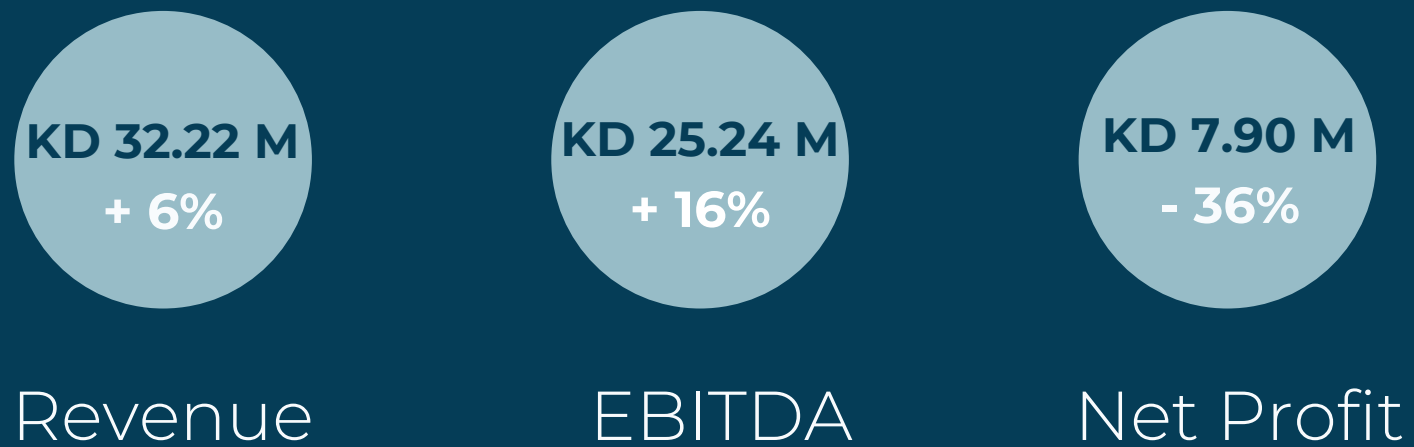
5 Local Investments

19 Foreign Investments

25 Financial Performance

32 Appendix

Group Performance



Performance Highlights

Q3-2024

Business Highlights

- Decrease in Net Profit due to depreciation & Finance cost Increase
- Continued commitment to strategy execution.
- Efficiency in under development project execution.
- Commitment towards Salhia's Shareholders.



LOCAL INVESTMENT'S



SALHIA

LOCAL INVESTMENT



SALHIA

- Salhia Complex
- Sahab Tower
- Salhia Plaza
- JW Marriot Hotel
- Salhia Extension



ARRAYA

- Arraya Commercial Centre
- Arraya Plaza
- Arraya Tower
- Marriot Courtyard Hotel
- Convention Hall



ASSIMA

- Assima Complex
- Assima Tower
- Marriot Executive Apartments (MEA)

**Salhia International
Entertainment Center (SIEC)**



SALHIA

General Knowledge

92,375
SQM

Built Up
Area

56,775
SQM

Gross Leasable
Area

94%

Q3 -24 Office
Occupancy

98%

Q3 -24 Store
Occupancy

Salhia Complex

- The first integrated retail and leisure complex in the GCC region.
- 26,857 square meters of space for commercial offices.
- Three floors of retail, and five floors of offices located above the stores

Sahab Tower

- Connected to the Salhia Commercial Complex by a suspended walkway on the mezzanine floor.
- 92% occupancy rate from both foreign and national businesses.
- Built Up Area SQM – 11,148 & Gross Leasable Area – 10,750

SALHIA

General Knowledge

33,323
SQM

Built Up Area

181

Number of
Rooms

2025

Expected
Opening

2

Number of
Restaurants

JW Marriot

- JW Marriot is in the center of Kuwait City's business and financial district.
- Connected to Salhia Complex & near well-known retail centers.
- Targeted Opening early 2025
- Operated by Marriot International

JW MARRIOTT



MEED Awards

REFIT PROJECT OF THE YEAR

- Fusion of premium materials and modern aesthetics
- Strengthens JW Marriott's iconic presence in downtown Kuwait City
- Environmental Impact: 30% reduction in carbon emissions



SALHIA

Opening Early 2025

- Design Highlights: Ground floor extension, new reception area, adaptive reuse approach, and enhanced public space.



General Knowledge

97,208
SQM

Built Up
Area

53,579
SQM

Gross Leasable
Area

95%

Q3 -24 Tower
Occupancy

90%

Q3 -24 Mall
Occupancy

Arraya Centre

- Situated in the heart of Kuwait City
- Featuring a range of shops, upscale eateries and casual hangouts.
- Six-floors car park accommodating 1,400 cars, connected by suspended bridges overlooking the Arraya Plaza.

Arraya Tower

- 57 floors designated for office workspaces.
- Area of 1,265.5 square meters, soars approximately 300 meters in height.
- 24-hour facility and maintenance support.
- Built Up Area SQM – 64,523 & Gross Leasable Area – 36,106 SQM

ARRAYA

General Knowledge

29,008
SQM

Built Up Area

264

Number of
Rooms

22

Number of
Floors

3

Number of
Restaurants

Marriot Courtyard

- Adjacent to Arraya Centre and is in the center of the city.
- 6 fully furnished banquet halls, a business center, and a cutting-edge swimming pool and fitness center.
- Operated by Marriot International

Convention Hall

- 2,750 SQM ballroom adjacent to the hotel catering to weddings, events and exhibitions.
- Competitive occupancy maintained as of Q3-2023
- 24-hour facility and maintenance support.

MARRIOT COURTYARD

General Knowledge

180,500
SQM

Built Up
Area

71,924
SQM

Gross Leasable
Area

96%

Q3 -24
Occupancy

13

Anchor
Units

Assima Mall

- 20,000 SQM across four basements, a ground floor, and six floors of shops, restaurants, entertainment venues, etc.
- Strong Demand for space from known brands.
- Largest Mall in Kuwait City

ASSIMA MALL

General Knowledge

99,500
SQM

Built Up
Area

59,524
SQM

Gross Leasable
Area

19%

Q3 -24
Occupancy

51

Number of
Floors

Assima Tower

- Occupancy rate stands at 19% as of Q3 - 2024
- Project Completion January 2024.
- Connected to Assima Mall, featuring a multi-story parking facility designed for the convenience of both visitors and tenants.

ASSIMA TOWER

General Knowledge

25,100
SQM

Built Up Area

164

Number of
Rooms

11

Number of
Floors

1

Number of
Restaurants

Marriot Executive Apartments

- Operated by Marriot International
- First Marriot Executive Apartments in Kuwait
- Available for short and long stay residency.
- Fully equipped fitness center, dining amenities and rentable conference spaces.

MEA

General Knowledge

5,097
SQM

Built Up
Area

15

Number of
Attractions

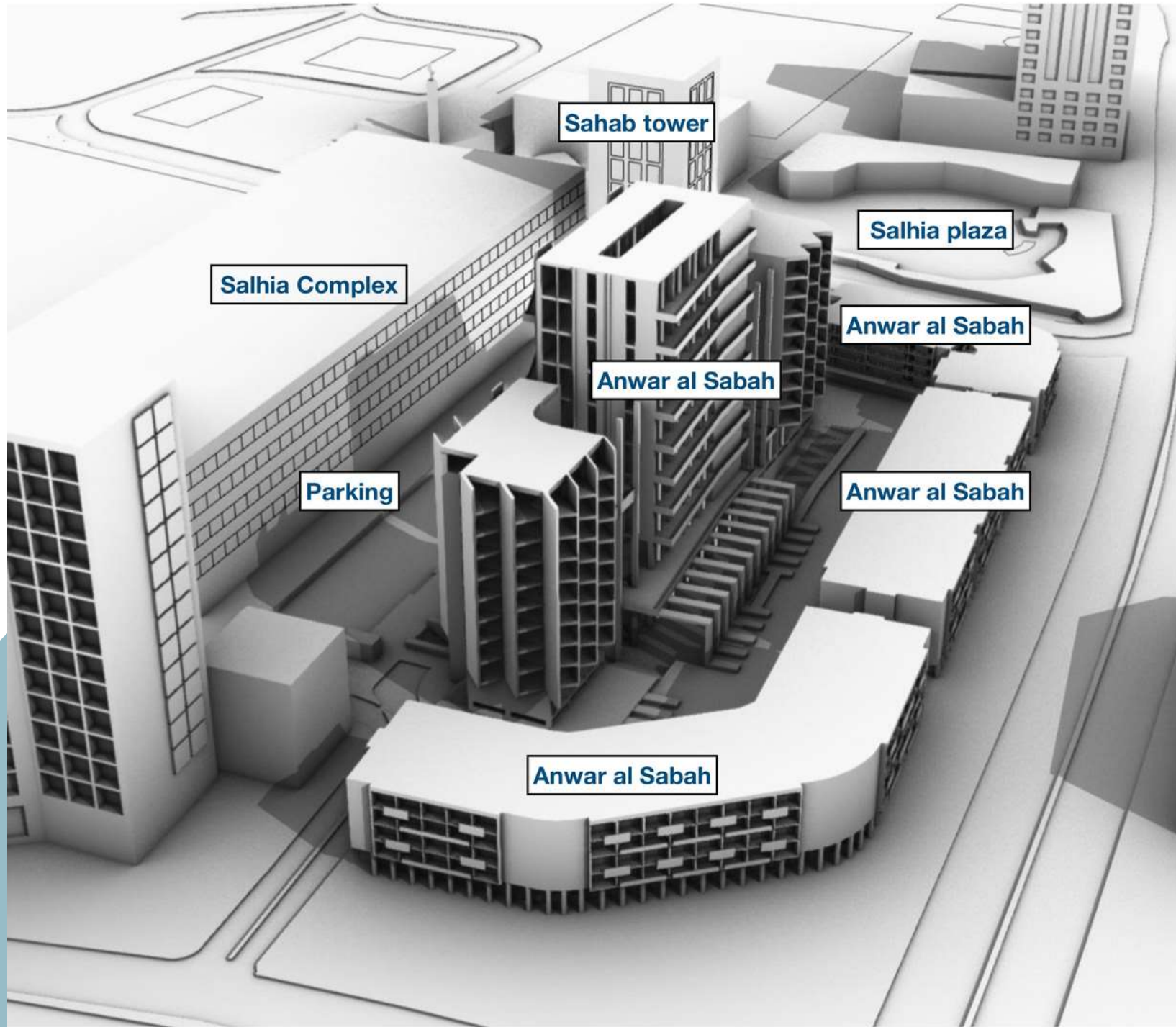
KD
404,279

9M -24
Revenue

Salhia International Entertainment Center

- Exclusive National Geographic licensee.
- Kuwait's first National Geographic entertainment center.
- For children aged 4 to 14.
- Incorporating cutting-edge VR and 4D technology to provide an ultimate experience.

SIEC



SALHIA EXTENSION PROPERTY

Acquired Land in Q1 - 2024

A neighboring land to Salhia Commercial Complex divided into 4 plots.

**9,284
SQM**

Plot
Area

KD 70 M

Land
Purchased

4

Number of
Plot's

SALHIA EXTENSION PROPERTY

Board Authorization for Land Sale

The Board has granted approval for the sale of PLOT 3 spanning 1,437m², authorizing the transaction to proceed as approved.

1,437
m²

Plot 3
Land Size

KD
12.6 M

Plot 3
Land Value

KD
13.2 M

Sale
Price KD

+ 5 %

Gain from
Sale %

*Amount will be reflected in Q4 – 2024 financials

FOREIGN INVESTMENT'S



SALHIA

FOREIGN INVESTMENT



BEORMA QUARTER, BIRMINGHAM

(Salhia International Birmingham Limited)

- Phase 1 – Adagio Hotel & Prince's Trust
- Phase 2 – Commercial & Residential



LOLWORTH DEVELOPMENT LIMITED (LDL)

- Fully owned subsidiary – Land Option

General Knowledge

8,268
M2

Plot Area

35,000
M2

Phase 2 –
Built Up Area

2026

Phase 2 Expected
Completion

125

Number of
Apartments

Beorma Quarter Project

- A large-scale revitalization initiative incorporating a mix of office spaces, hotels, and residential apartments.
- Located in the center of Birmingham and adjacent to a 93,000 m2 shopping center.
- Phase 2 Expected completion mid 2026.
- Highest residential tower in Birmingham.
- 100% Owned Subsidiary.

BEORMA QUARTER

PROGRESS SNAPSHOT'S

Beorma Quarter - Q3 - 2024



General Knowledge

> 1 M
SQM

Land Area

UK

Location

1992

Established

Lolworth Developments Ltd

- Lolworth Development– An estimated land area of over 1 million square meters (land option), northwest of Cambridge City Center.
- A prime strategic location for developing a leading technology center to facilitate business and logistic services.

LOLWORTH DEVELOPMENT

EST. PROJECTS TIMELINE UNDER DEVELOPMENT

2024 - 2026

JAN - 2024

Assima Tower
(Kuwait)

2025

JW Marriot
(Kuwait)

Q3 - 2026

Beorma Tower –
Commercial & Residential
(Birmingham, UK)

*Projects' timings could change from the provided estimation.

SALHIA REAL ESTATE CO.

Q3-2024 FINANCIAL HIGHLIGHTS

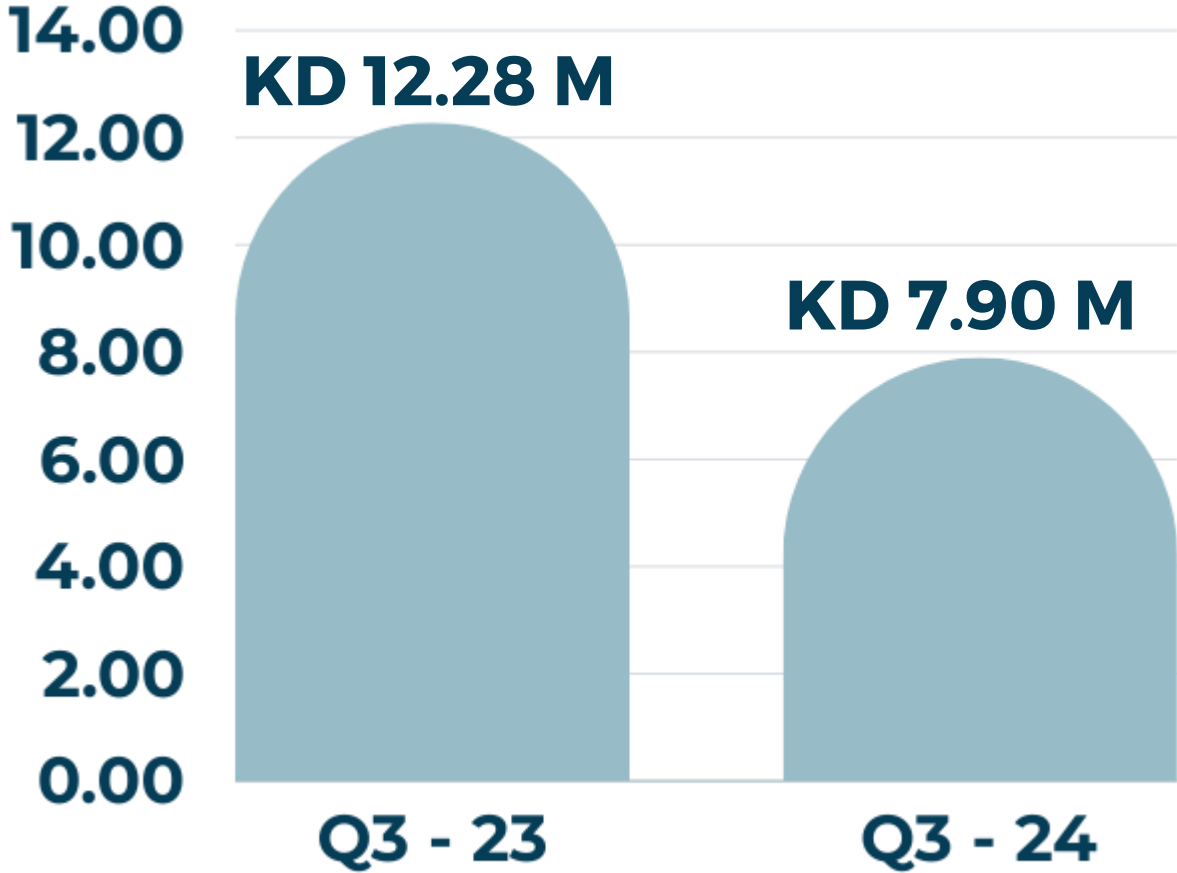
30-September-24



SALHIA

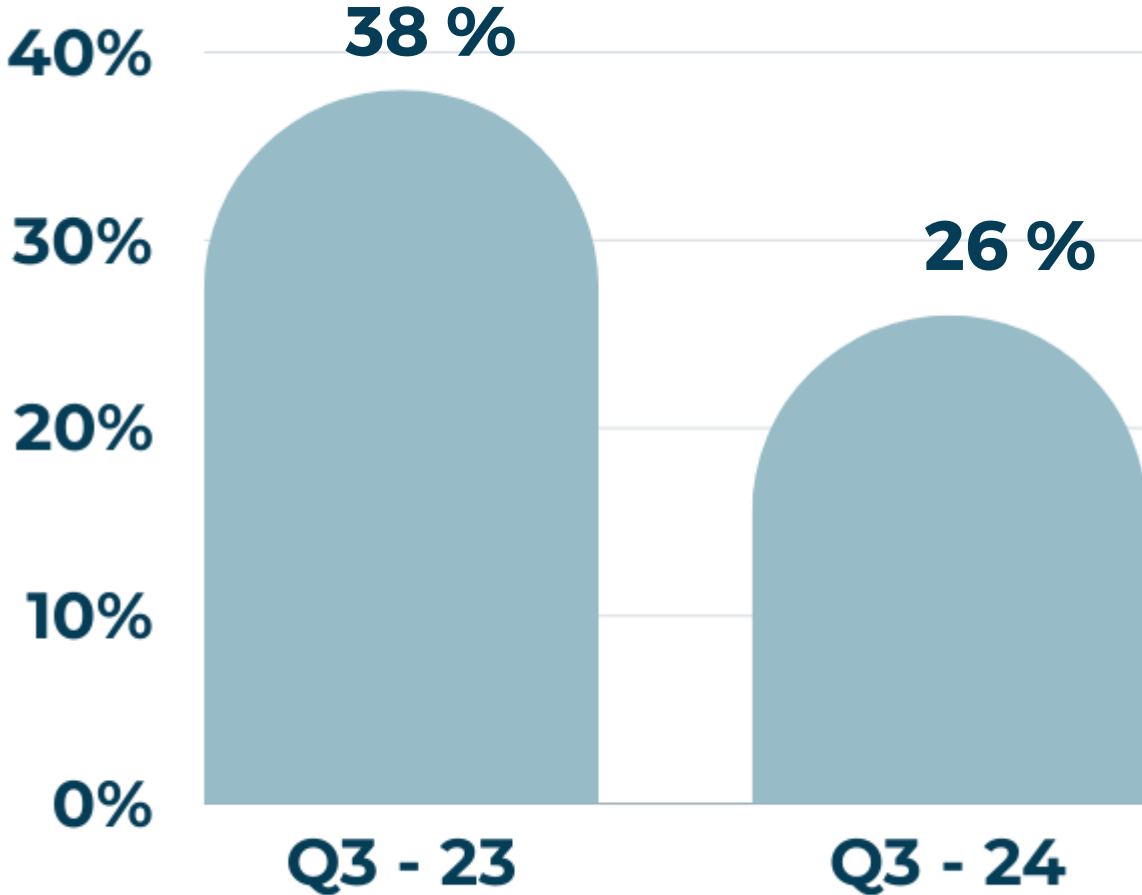
Profitability Indicators

Net Profit KD



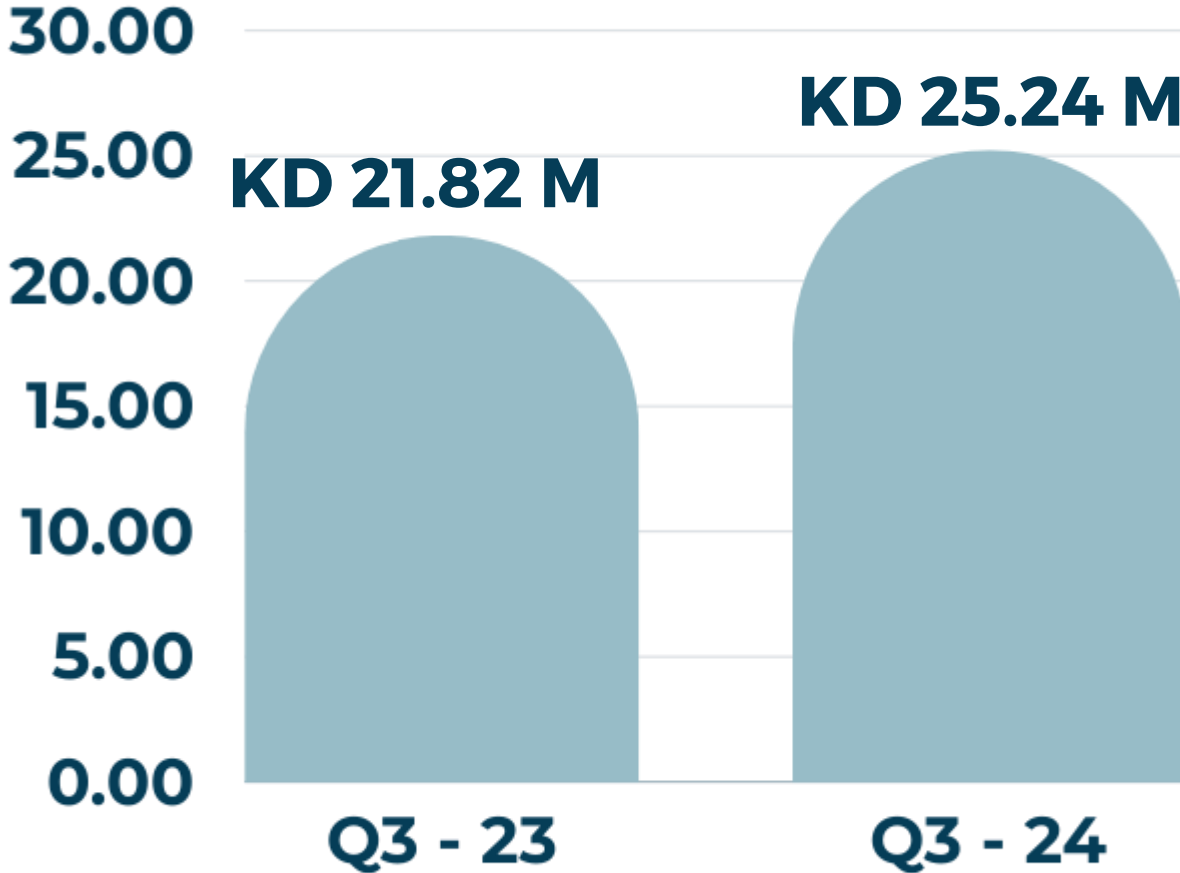
- 36 %

Net Profit Margin %



- 32 %

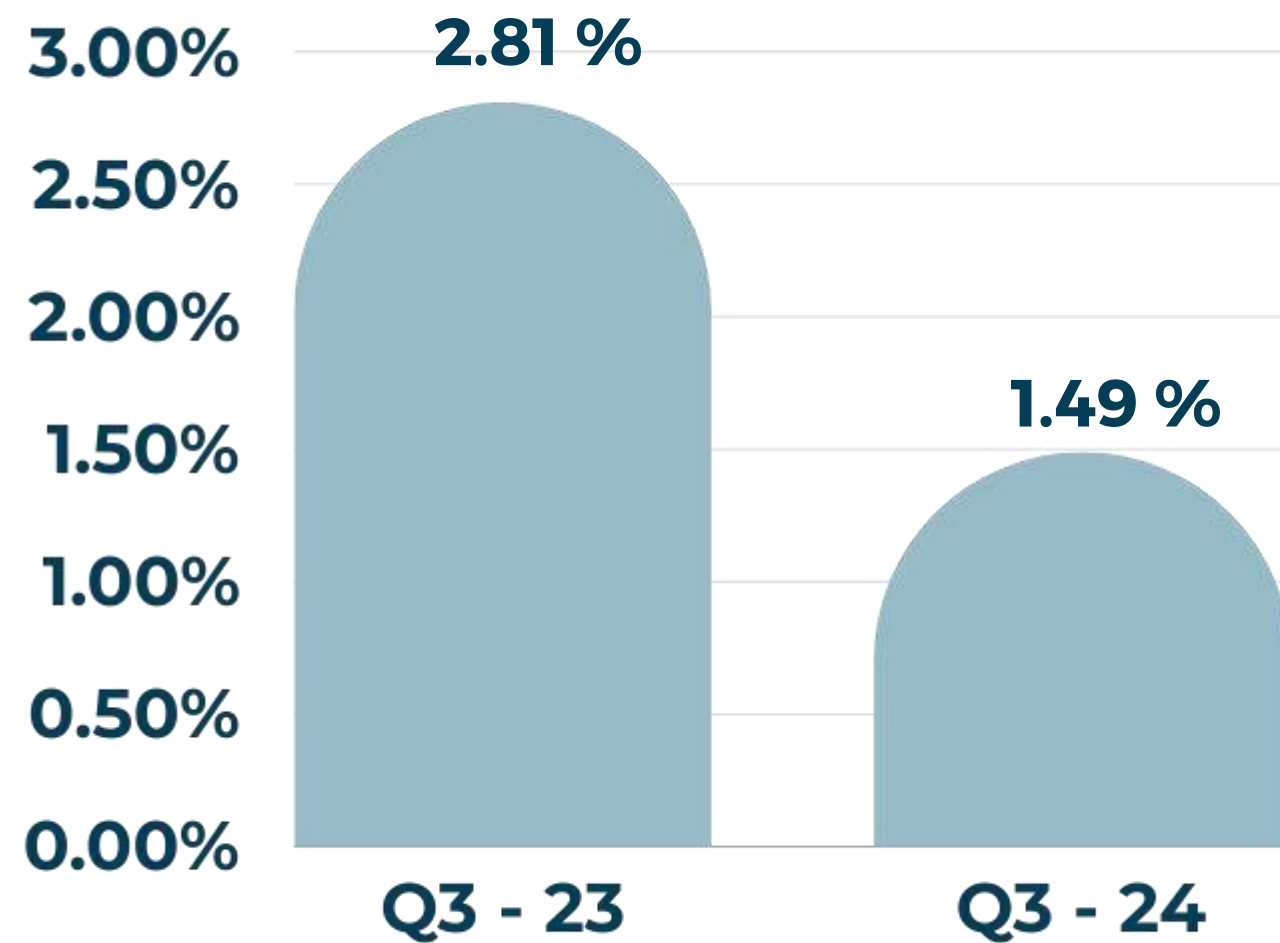
EBITDA KD



+ 16 %

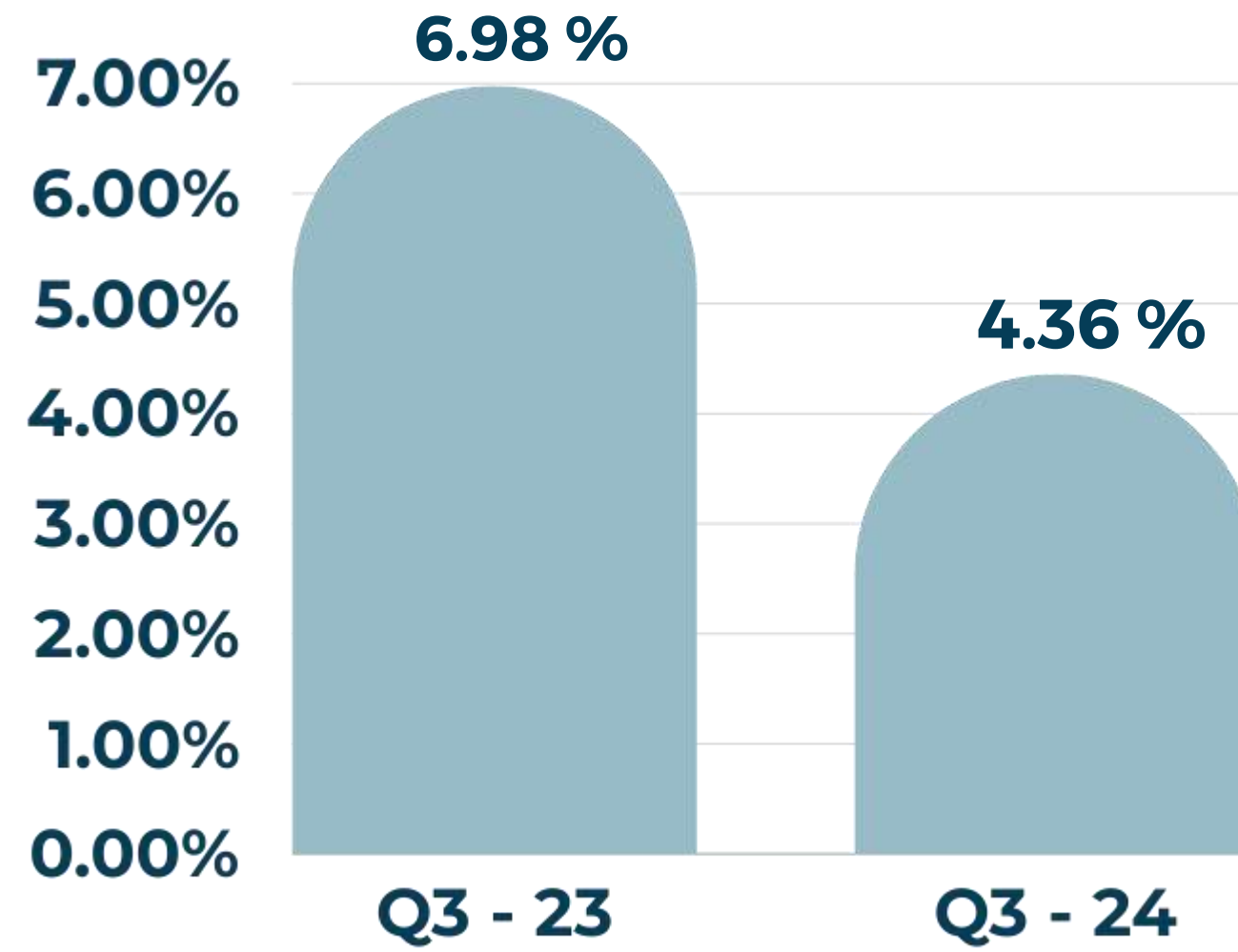
Profitability Indicators (Continued)

Return on Assets %



- 47 %

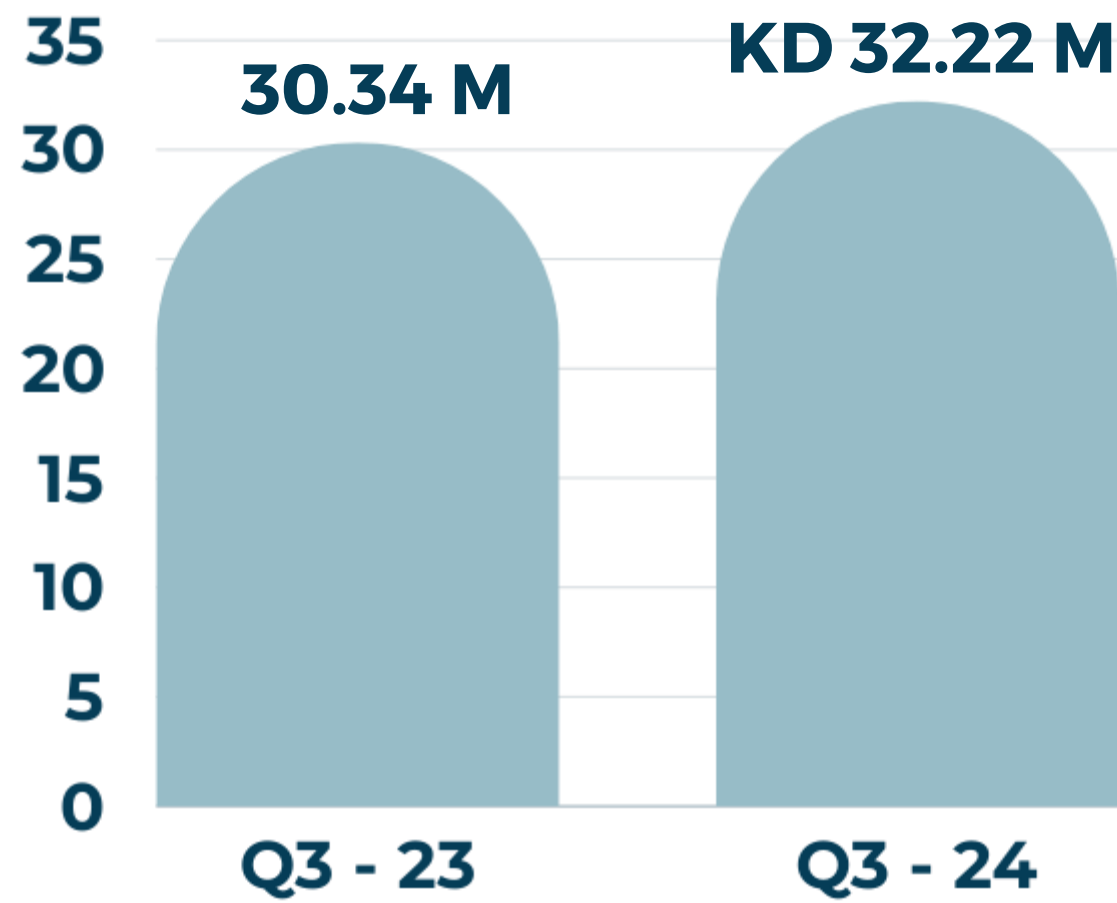
Return on Equity %



- 38 %

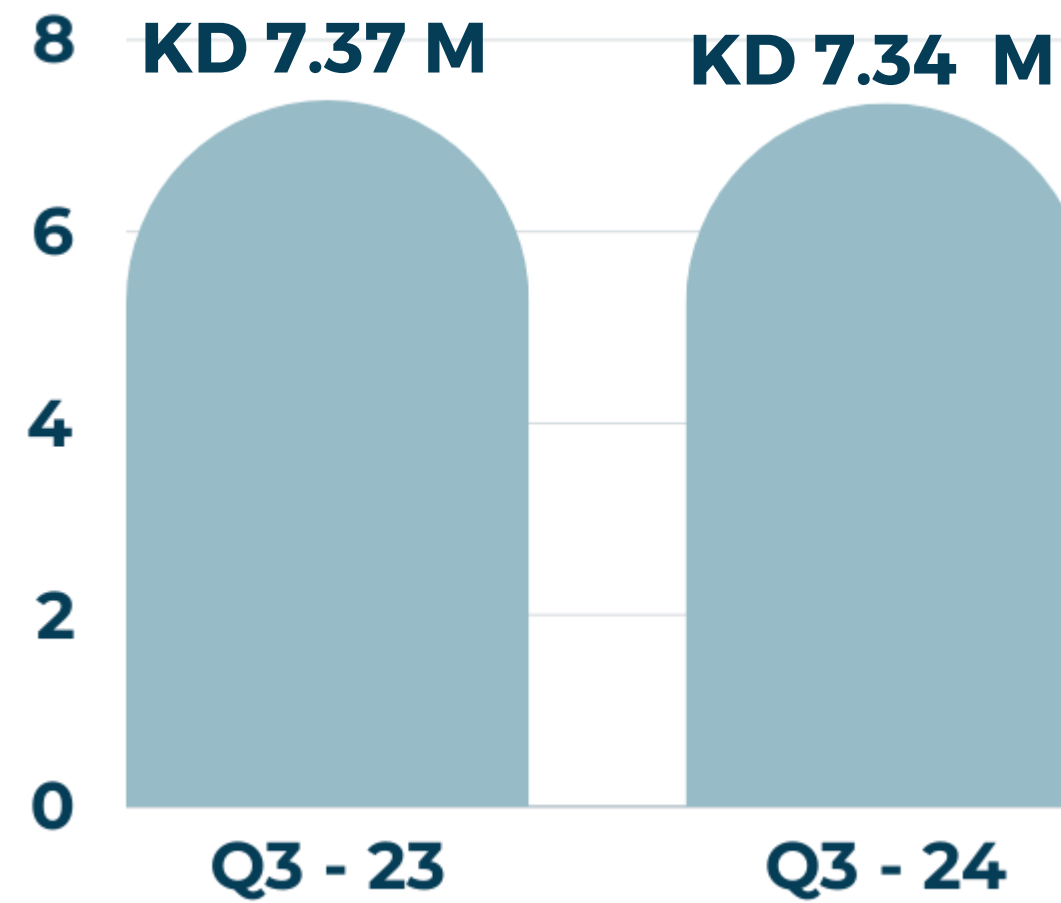
Performance Ratios - The Group

Revenue KD



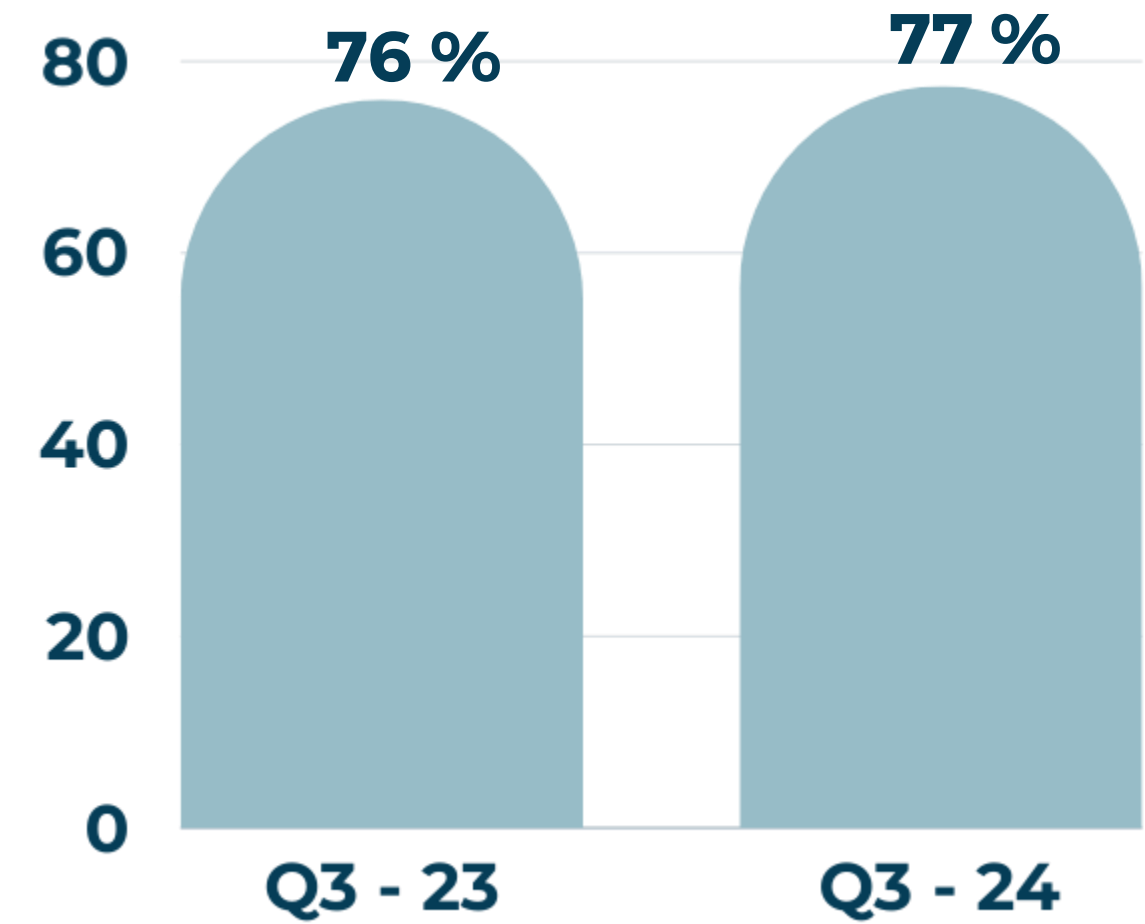
+ 6 %

Operating Expense KD



- 1 %

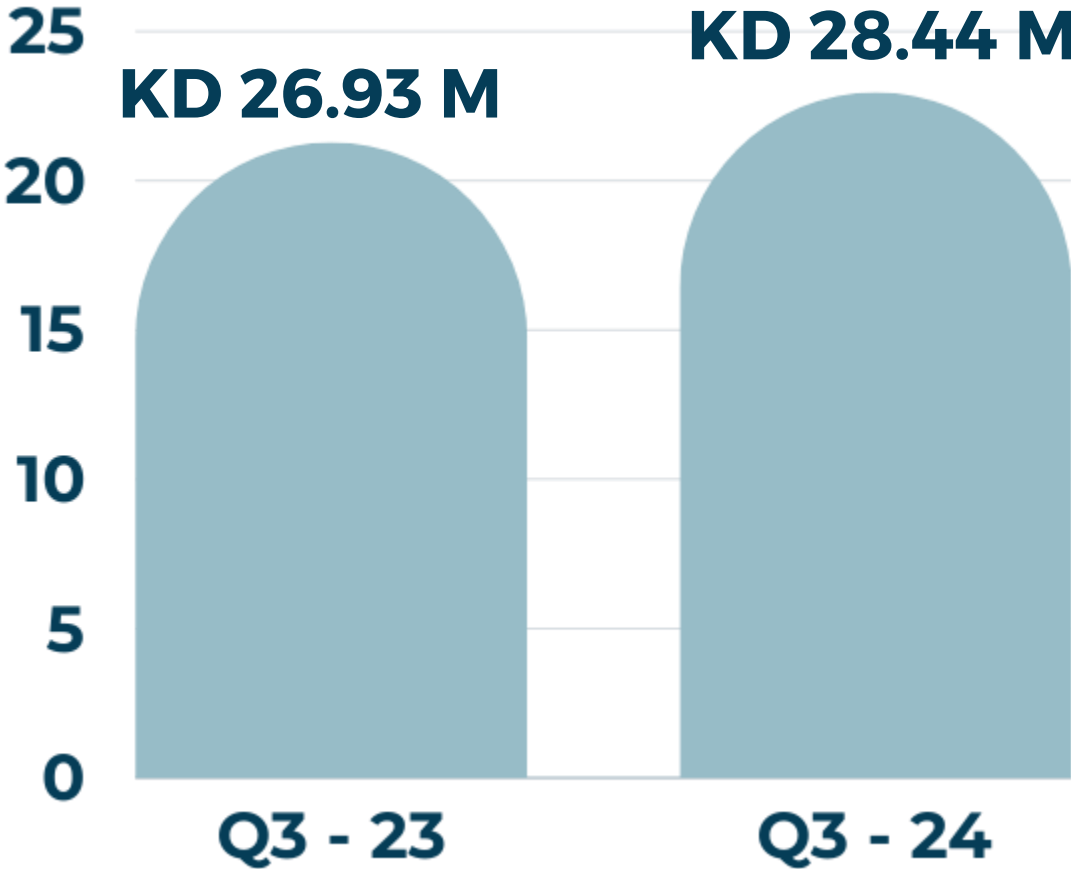
Gross Profit Margin %



+ 2 %

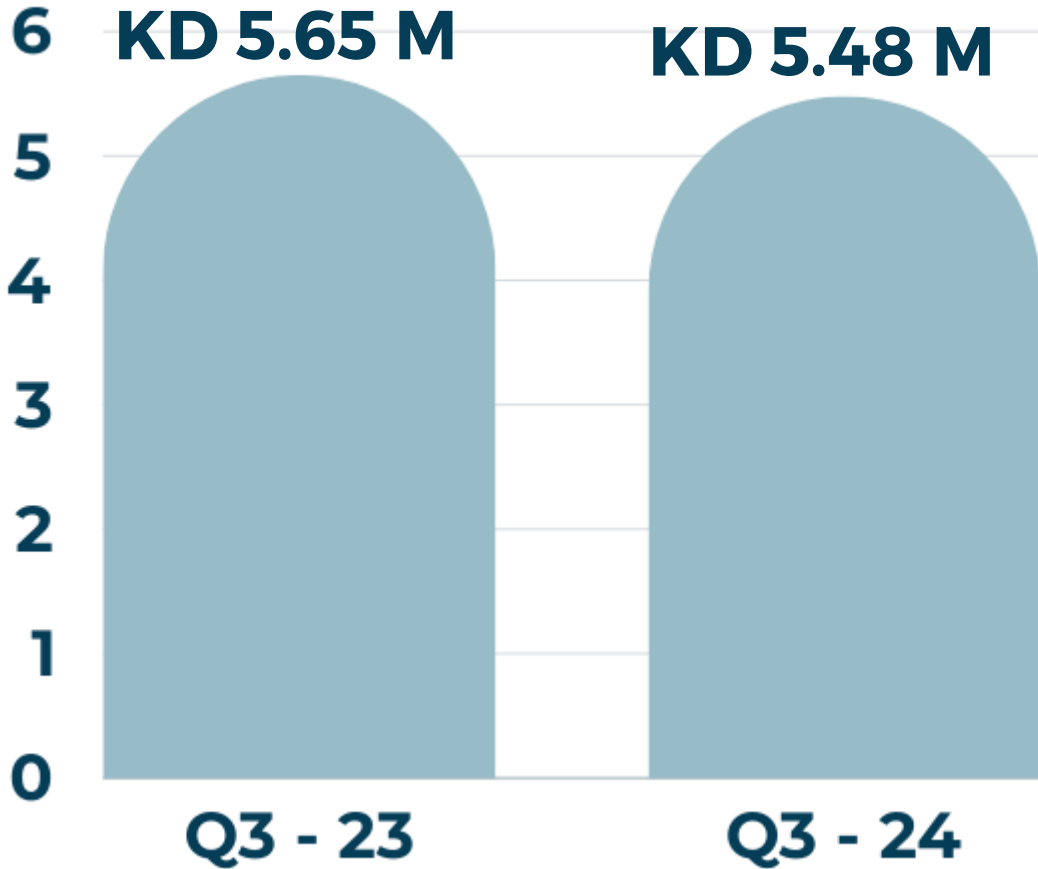
Performance Ratios - Real Estate

Revenue KD



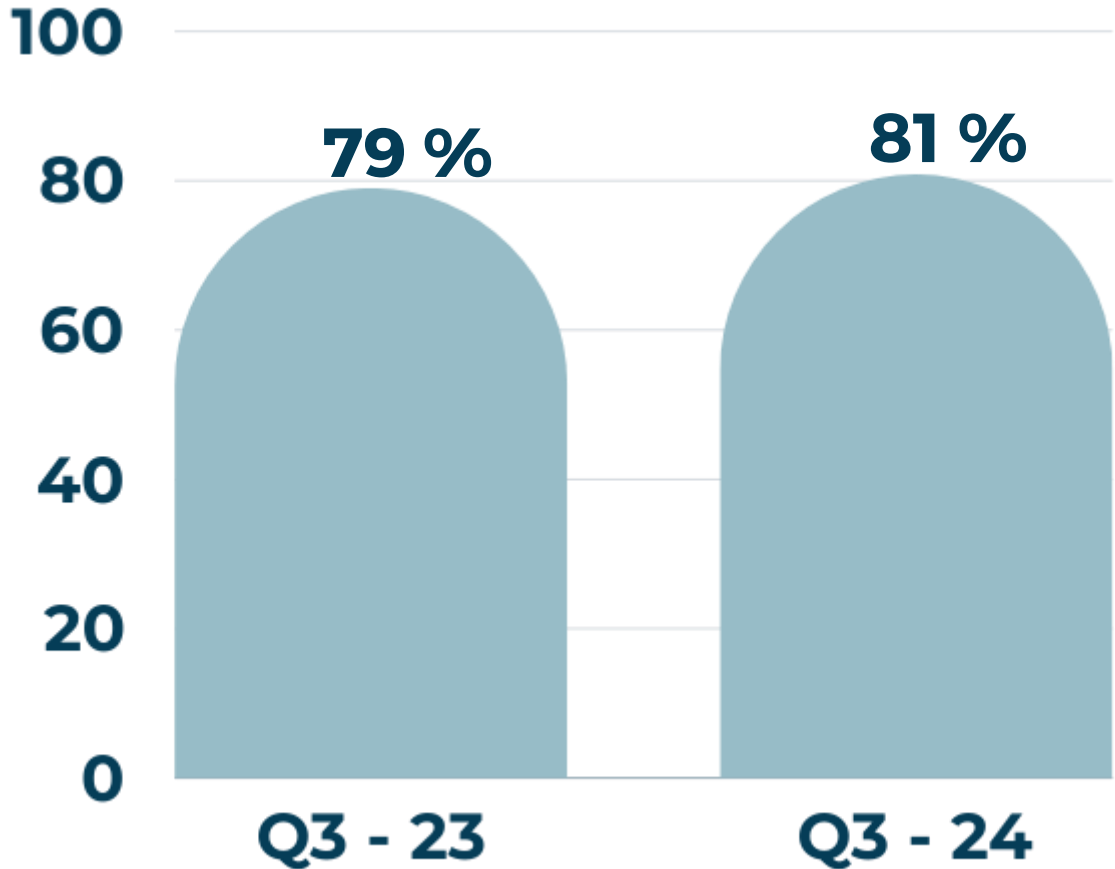
+ 6 %

Operating Expense KD



- 3 %

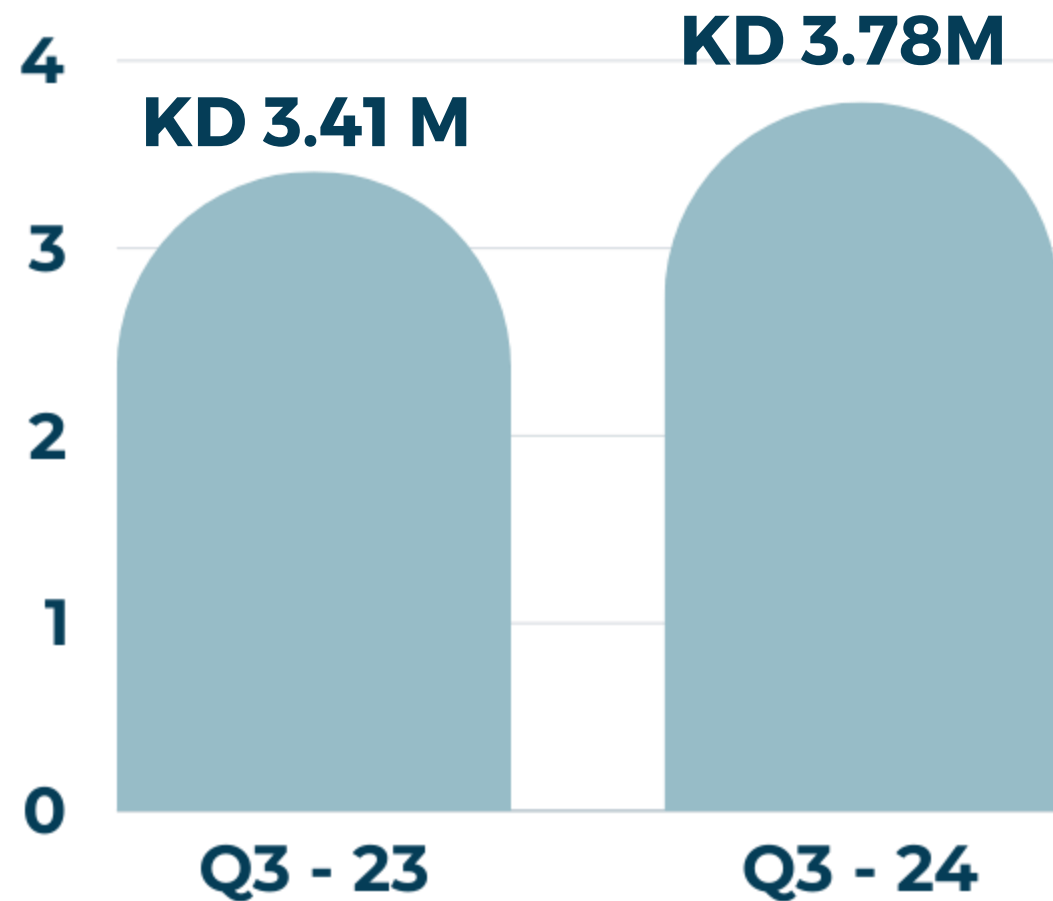
Gross Profit Margin %



+ 2 %

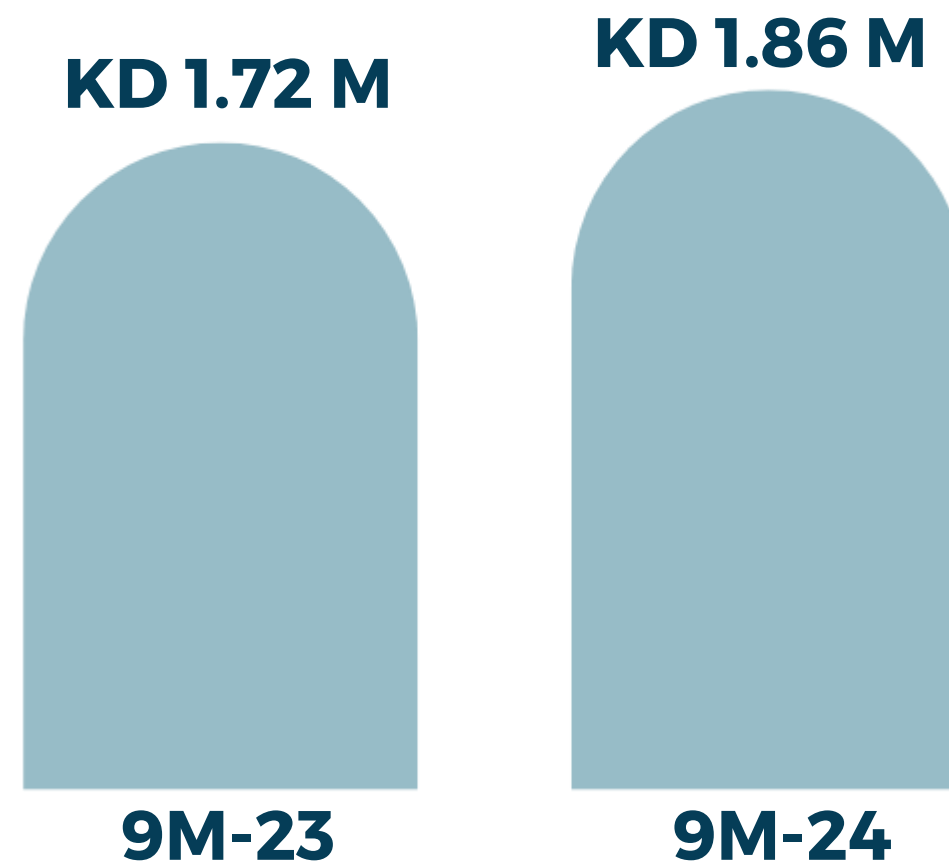
Performance Ratios - Hospitality

Revenue KD



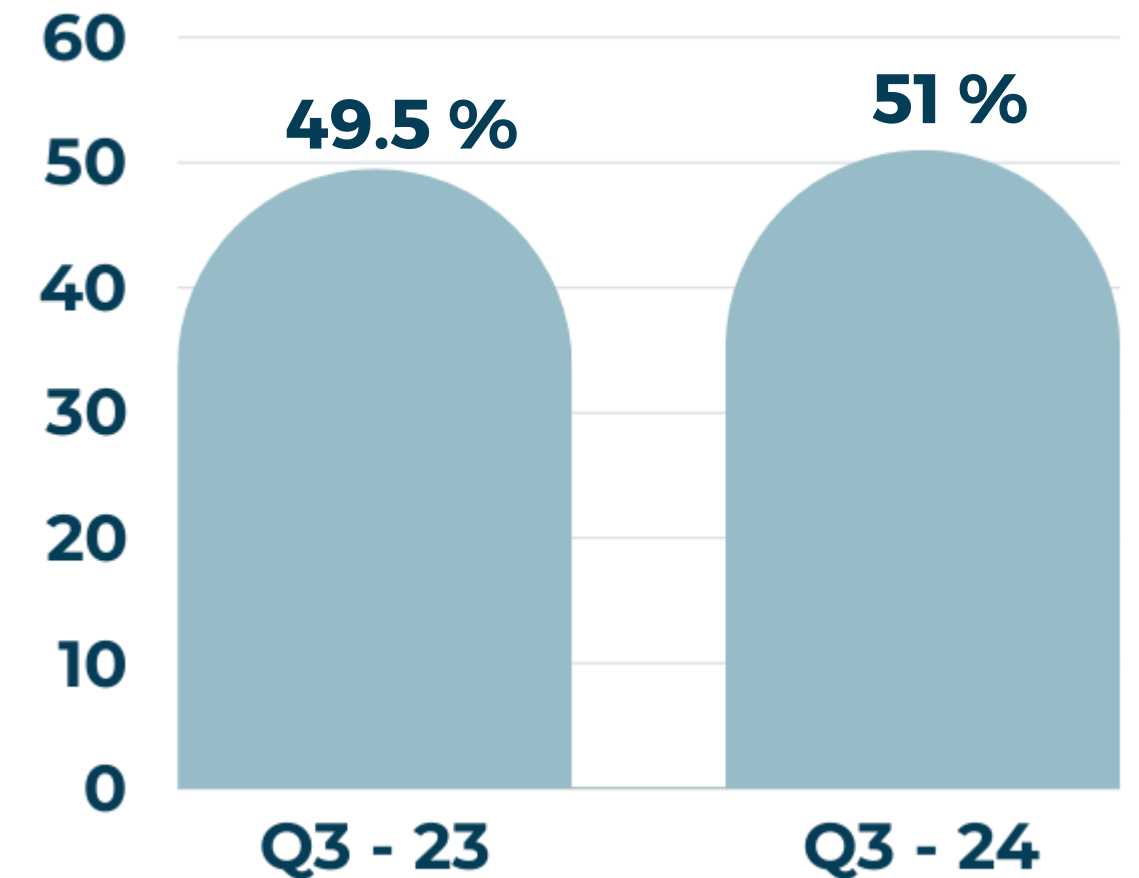
+ 11 %

Operating Expense KD



+ 8 %

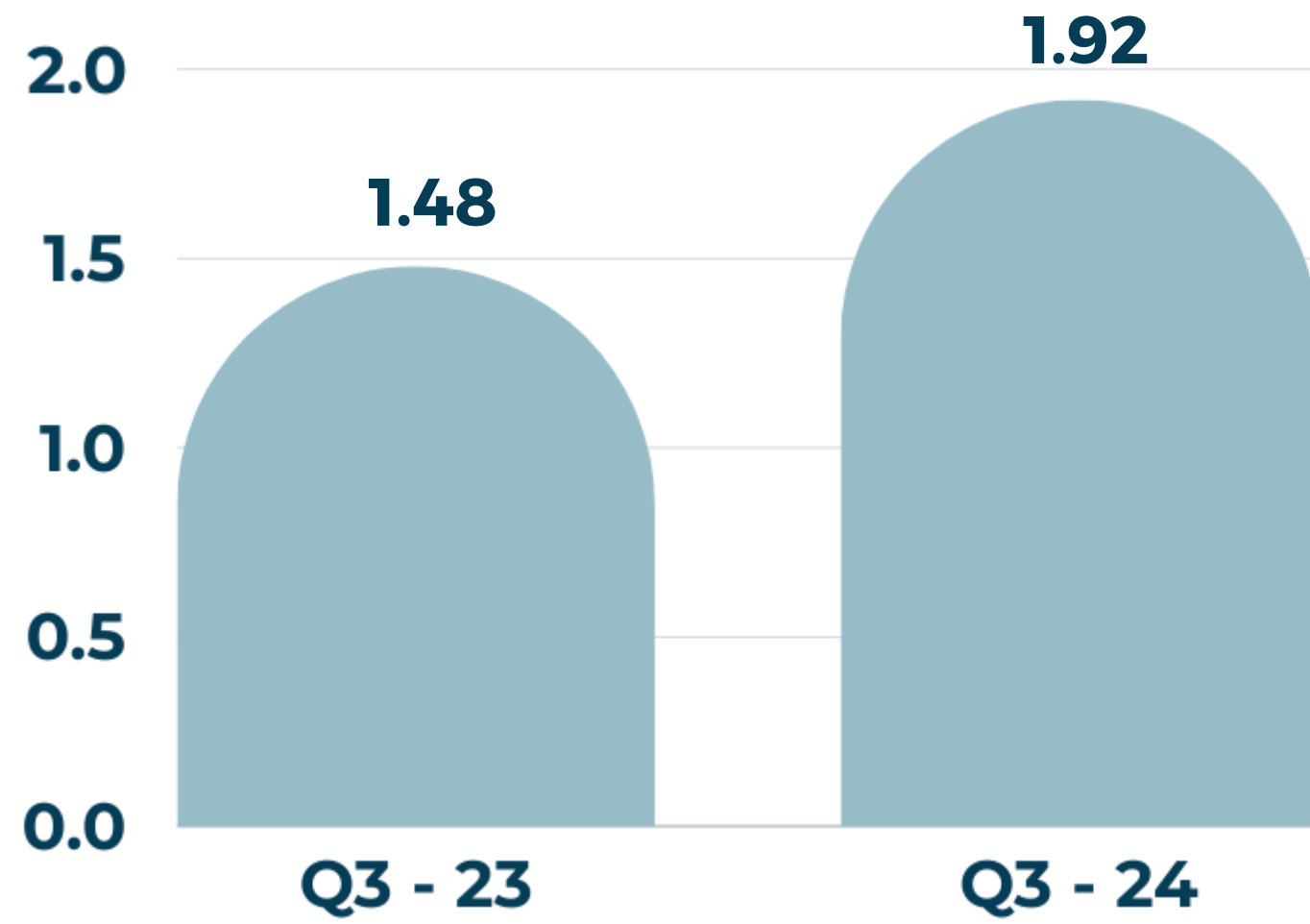
Gross Profit Margin %



+ 3 %

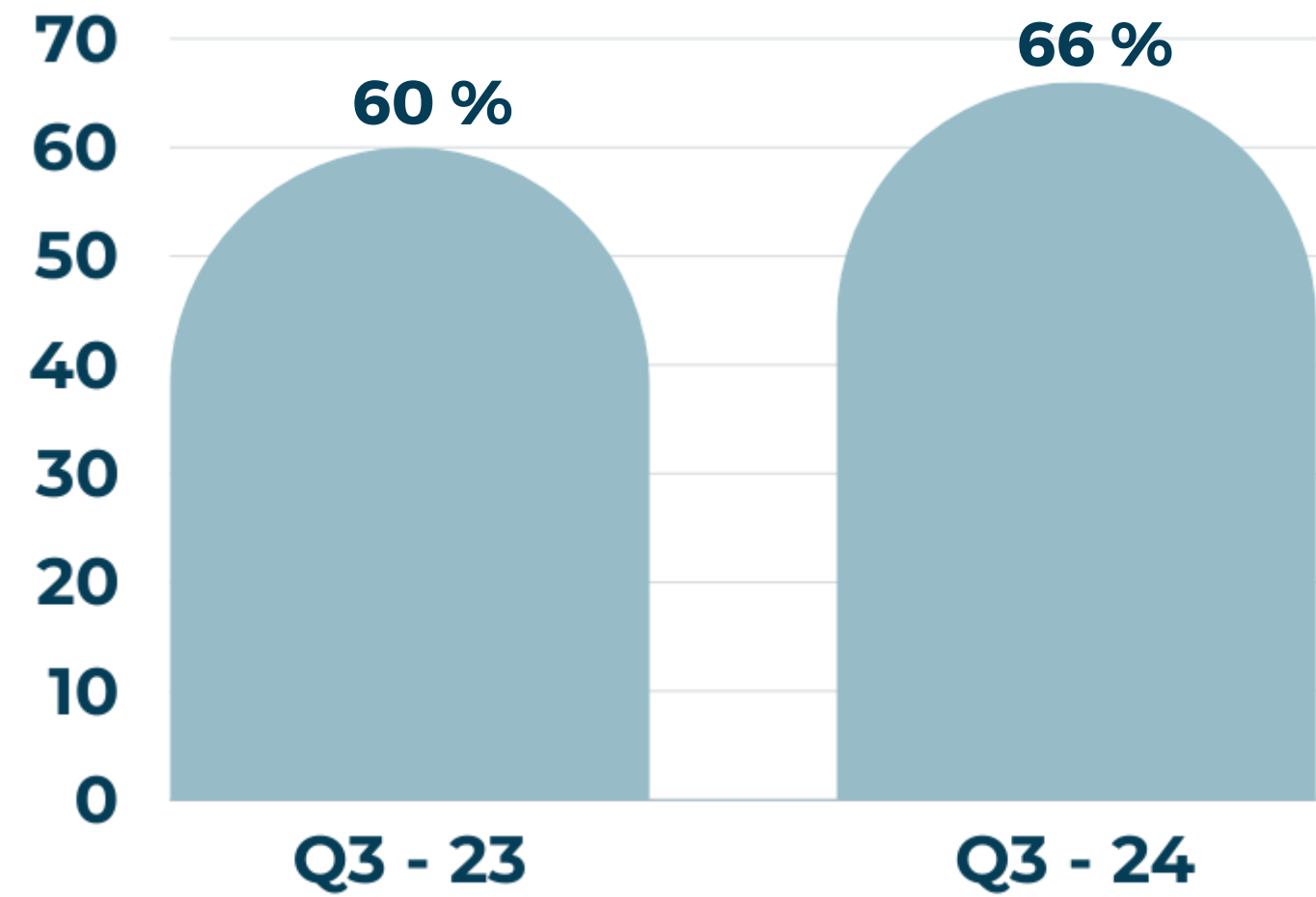
Debt Structure

Debt to Equity %



+ 30 %

Debt to Asset %



+ 10 %

SALHIA REAL ESTATE CO.

APPENDIX



SALHIA

Consolidated Statement of Financial Position

| | | <i>30 September</i> <i>2024</i> | <i>(Audited)</i> <i>31 December</i> <i>2023</i> | <i>30 September</i> <i>2023</i> |
|---|--------------|------------------------------------|---|------------------------------------|
| | <i>Notes</i> | <i>KD</i> | <i>KD</i> | <i>KD</i> |
| ASSETS | | | | |
| Cash on hand and at banks | 4 | 13,048,259 | 6,192,906 | 9,591,153 |
| Inventories | | 195,410 | 202,205 | 209,705 |
| Accounts receivable and other assets | | 10,177,583 | 24,933,379 | 7,350,416 |
| Financial assets at fair value through other comprehensive income | 5 | 6,985,956 | 6,868,210 | 6,803,325 |
| Investment in a joint venture | | 2,300,733 | 9,802,678 | 8,797,274 |
| Investment properties | 6 | 440,910,848 | 360,996,365 | 357,550,012 |
| Property and equipment | | 55,594,108 | 49,126,804 | 46,739,293 |
| TOTAL ASSETS | | 529,212,897 | 458,122,547 | 437,041,178 |

Consolidated Statement of Financial Position (Cont'd)

| | | <i>(Audited)</i> | |
|--|--------------|-------------------------------------|------------------------------------|
| | <i>Notes</i> | <i>30 September 2024 KD</i> | <i>31 December 2023 KD</i> |
| | | <i>30 September 2023 KD</i> | |
| LIABILITIES AND EQUITY | | | |
| LIABILITIES | | | |
| Due to banks and financial institution | 4 | 6,987,180 | 14,303,492 |
| Accounts payable and other liabilities | | 39,327,721 | 40,236,266 |
| Commercial financing | 7 | 12,925,000 | 18,203,880 |
| Islamic financing | 7 | 288,783,393 | 205,500,804 |
| TOTAL LIABILITIES | | 348,023,294 | 278,244,442 |
| EQUITY | | | |
| Share capital | 8 | 59,354,144 | 56,527,756 |
| Share premium | | 35,055,163 | 35,055,163 |
| Treasury shares | 9 | (7,170,852) | (8,086,553) |
| Treasury shares reserve | | 6,118,701 | 5,848,303 |
| Statutory reserve | | 30,280,511 | 30,280,511 |
| Voluntary reserve | | 20,489,290 | 20,489,290 |
| Retained earnings | | 48,334,776 | 51,470,346 |
| Fair value reserve | | 77,375 | (40,371) |
| Foreign currency translation reserve | | (11,428,629) | (11,834,107) |
| EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY | | 181,110,479 | 179,710,338 |
| Non-controlling interests | | 79,124 | 167,767 |
| TOTAL EQUITY | | 181,189,603 | 179,878,105 |
| TOTAL LIABILITIES AND EQUITY | | 529,212,897 | 458,122,547 |



SALHIA

Consolidated Statement of Income

| | Note | Three months ended | | Nine months ended | |
|---|------|--------------------|------------------|-------------------|-------------------|
| | | 30 September | | 30 September | |
| | | 2024 | 2023 | 2024 | 2023 |
| | | KD | KD | KD | KD |
| Revenue | | 9,953,759 | 10,282,269 | 32,221,856 | 30,336,934 |
| Operating costs | | (2,305,888) | (1,872,793) | (7,336,498) | (7,374,482) |
| Gross profit | | 7,647,871 | 8,409,476 | 24,885,358 | 22,962,452 |
| Share of joint venture's results, net of tax | | 1,969,735 | 993,645 | 3,518,892 | 1,291,288 |
| General and administrative expenses | | (1,121,606) | (973,105) | (3,387,770) | (3,531,713) |
| Depreciation and amortization | | (2,036,401) | (1,468,527) | (5,999,144) | (4,709,855) |
| Sales and marketing expenses | | (89,097) | (67,394) | (409,674) | (375,936) |
| Investment income (loss) | | 5,808 | (602) | 86,442 | 57,813 |
| Gain from sale of investment property | | - | 539,598 | - | 539,598 |
| Recovery of insurance claims | | - | - | - | 750,000 |
| Other income, net | | 458,918 | (94,679) | 546,247 | 127,952 |
| Finance costs | | (3,813,150) | (2,019,587) | (10,884,438) | (4,205,900) |
| PROFIT BEFORE PROVISION FOR CONTRIBUTION TO KUWAIT FOUNDATION FOR THE ADVANCEMENT OF SCIENCES ("KFAS"), NATIONAL LABOUR SUPPORT TAX ("NLST") AND ZAKAT | | 3,022,078 | 5,318,825 | 8,355,913 | 12,905,699 |
| KFAS | | (29,728) | (53,087) | (82,677) | (128,573) |
| NLST | | (74,322) | (132,718) | (206,694) | (321,433) |
| Zakat | | (29,728) | (53,087) | (82,677) | (128,573) |
| PROFIT FOR THE PERIOD | | 2,888,300 | 5,079,933 | 7,983,865 | 12,327,120 |
| Attributable to: | | | | | |
| Equity holders of the Parent Company | | 2,839,085 | 5,069,822 | 7,895,697 | 12,278,732 |
| Non-controlling interests | | 49,215 | 10,111 | 88,168 | 48,388 |
| | | 2,888,300 | 5,079,933 | 7,983,865 | 12,327,120 |
| BASIC AND DILUTED EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE PARENT COMPANY | | | | | |
| | 3 | 4.95 fils | 9.26 fils | 13.75 fils | 21.37 fils |

Q&A



SALHIA

THANK YOU



ir@salhia.com



www.salhia.com



+965 22996097 – 22996081 – 22996346



SALHIA